



General Assembly

January Session, 2011

**Committee Bill No. 5585**

LCO No. 4723

\*04723HB05585PD\_\*

Referred to Committee on Planning and Development

Introduced by:  
(PD)

***AN ACT CONCERNING DESIGNATED REHABILITATION AREAS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-65e of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2011*):

3 Any municipality which has adopted a resolution, in accordance  
4 with the provisions of section 12-65d, designating such municipality or  
5 any part thereof as a rehabilitation area, may, upon application of the  
6 owner of any real property located in such area who agrees to  
7 rehabilitate such property or construct (1) new multifamily rental  
8 housing or cooperative housing on such property, or (2) if such  
9 property is a brownfield as defined in section 32-9cc, new multifamily  
10 rental housing, cooperative housing, common interest communities or  
11 mixed-use or commercial structures on such property, enter into an  
12 agreement to fix the assessment of the property, during the period of  
13 rehabilitation or construction, as of the date of the agreement, but for  
14 not longer than seven years, and upon completion of such  
15 rehabilitation or construction, to defer any increase in assessment  
16 attributable to such rehabilitation or construction for a period not to

17 exceed eleven years, contingent upon the continued use of the  
 18 property for the purposes specified in the agreement, provided such  
 19 property meets the criteria established by such municipality in  
 20 accordance with section 12-65d and provided further such deferral  
 21 shall be determined as follows: For the first year following completion  
 22 of such rehabilitation or construction, the entire increase shall be  
 23 deferred; thereafter a minimum of ten per cent of the increase shall be  
 24 assessed against the property each year until one hundred per cent of  
 25 such increase has been so assessed. The agreement shall provide that,  
 26 in the event of a general revaluation by the municipality in the year in  
 27 which such rehabilitation or construction is completed resulting in any  
 28 increase in the assessment on such property, only that portion of the  
 29 increase resulting from such rehabilitation or construction shall be  
 30 deferred; and in the event of a general revaluation in any year after the  
 31 year in which such rehabilitation or construction is completed, such  
 32 deferred assessment shall be increased or decreased in proportion to  
 33 the increase or decrease in the total assessment on such property as a  
 34 result of such general revaluation. Such agreement shall further  
 35 provide that such rehabilitation or construction shall be completed by  
 36 a date fixed by the municipality and that the completed rehabilitation  
 37 or construction shall be subject to inspection and certification by the  
 38 local building official as being in conformance with the criteria  
 39 established under section 12-65d and such provisions of the state  
 40 building and health codes and the local housing code as may apply.  
 41 Any such tax deferral shall be contingent upon the continued use of  
 42 the property for those purposes specified in the agreement creating  
 43 such deferral and such deferral shall cease upon the sale or transfer of  
 44 the property for any other purpose unless the municipality shall have  
 45 consented thereto.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2011</i>	12-65e
-----------	------------------------	--------

**Statement of Purpose:**

To expand the types of development for which a municipality may fix a tax assessment in a designated rehabilitation area.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: REP. MEGNA, 97th Dist.; SEN. LOONEY, 11th Dist.

H.B. 5585